



School
Members
2% at 55



California Public Employees' Retirement System

Here is your California Public Employees' Retirement System (CalPERS) member benefit booklet. This booklet tells you about your retirement and death benefits. It will help you choose the best retirement plan for you and your beneficiaries. As you think about retirement, you should request CalPERS **Planning Your Service Retirement** brochure (PERS-PUB-1), available from your personnel office or CalPERS.

We urge you to attend a retirement planning workshop before you retire to help with this decision. Your personnel office can help you arrange an appointment at the nearest CalPERS office or with CalPERS staff who travel to your area.

We hope this booklet will help you understand your retirement program and the benefits it provides you and your beneficiaries.

While reading this material, remember that we are governed by the California Public Employees' Retirement Law. The statements in this booklet are general. The Retirement Law is complex and subject to change. If there is a conflict between the law and this booklet, any decisions will be based on the law and not this booklet.

Definition

School members are those employees in non-teaching positions within the jurisdiction of a school employer, other than those who are local police, those covered under the State Teachers' Retirement System, or those working directly for the Los Angeles or San Diego County Superintendent of Schools.

Your Contributions

As a CalPERS member under this formula, a portion of your monthly pay is deducted each month and put into the Retirement Fund. The amount of your contributions and interest earned are shown on your CalPERS Annual Member Statement. CalPERS uses your contributions and those of your employer, as well as income from investments, to pay for your benefits. Your contributions will remain on account as long as you work for a CalPERS-covered employer.

Changing Jobs

If you leave your present job, you may leave your contributions on deposit, or you may request a refund of your contributions and interest. If you elect a refund, 20 percent federal withholding is mandatory, unless you request your refund be directly rolled over into a qualified defined contribution plan or an Individual Retirement Account. **Remember**, if you leave your contributions on deposit with CalPERS, you will continue to earn interest at the current interest crediting rate. You may then apply for a refund or retirement (if you meet service and age requirements).

You cannot receive a refund if one of the following conditions applies:

1. you have entered CalPERS-covered employment;
2. you have accepted a position covered by the State Teachers', Legislators' or Judges' Retirement Systems;
3. you became a member, within six months of leaving your CalPERS job, of a California public retirement system that has reciprocity with CalPERS. Reciprocity is an agreement between CalPERS and certain other systems that permits movement of members to and from CalPERS without the loss of certain retirement rights. Request **When You Change Retirement Systems** (PERS-PUB-16), or contact a CalPERS Regional Office for information on reciprocity.

A refund terminates your CalPERS membership, and you will not be eligible for any benefits unless you return to CalPERS membership.

Redepositing Withdrawn Contributions

If you return to covered membership, you may redeposit your contributions, plus interest, and restore corresponding service credit.

You may also redeposit if you become a member of the State Teachers', Legislators' or Judges' Retirement Systems or a California public retirement system which has reciprocity with CalPERS.

If you are thinking about retiring soon, you should submit your request to redeposit as early as possible to avoid delays in your retirement processing. Redeposit elections must be done prior to your effective date of retirement.

Pre-Retirement Death Benefits

If you die before you retire, CalPERS provides several benefits for your family or the beneficiary or beneficiaries you name. Since there are different benefits to choose from, you should discuss these with your beneficiary. For your convenience, we have divided the pre-retirement death benefits into two categories – Not Eligible To Retire at the time of death, and Eligible To Retire.

A note to those who have separated from CalPERS-covered employment: upon your death, your beneficiary will receive the limited death benefit (a refund of your contributions plus interest). No other benefit will be payable, except as provided by law under special circumstances. The limited death benefit will be paid to beneficiaries in the following order: (1) your named beneficiary*, or (2) spouse, or (3) children, or (4) parents, or (5) brothers and sisters, or (6) your estate if probated, or (7) trust, or (8) next of kin, as provided by law.

***Named Beneficiary.** To designate a beneficiary, or update an earlier designation, you must fill out and submit a CalPERS Beneficiary Designation, State Form 241. This form is available through your employer or CalPERS. For some of the death benefits, you may name anyone you choose as a beneficiary. If you name a beneficiary and then marry, initiate an annulment or dissolution of marriage; have a child or adopt a child; or terminate your employment and receive a refund of your CalPERS contributions; your designation will, by law, be revoked. Should any of the above events take place, check with CalPERS about updating your beneficiary designation.

Not Eligible To Retire

Not Eligible To Retire: Under age 50, or age 50 or over with less than five years of CalPERS-credited service.

| Benefit | Amount Payable |
|---------------------------------------|--|
| Basic Death Benefit | <p>Your beneficiary will receive a lump-sum payment of:</p> <ol style="list-style-type: none">1. a refund of your contributions, plus interest, and2. up to six months' pay (one month's salary rate for each year of current service to a maximum of six months). <p>Your beneficiary would be determined as follows:</p> <ol style="list-style-type: none">1. your named beneficiary, or if none,2. spouse, or if none,3. your children, or if none,4. parents, or if none,5. brothers and sisters, or if none,6. estate if probated, or if not,7. trust, or if none8. next of kin, as provided by law. <p>And</p> <p>Not all members are covered by this benefit. See page 3.</p> |
| 1959 Survivor Benefit (If Applicable) | |

All CalPERS publications mentioned in these materials are available on our web site at www.calpers.ca.gov

Eligible To Retire

Eligible To Retire: Age 50 or over with a minimum of five years of CalPERS-credited service.

| Benefit | Amount Payable |
|--|---|
| 1959 Survivor Benefit (If Applicable) | Not all members are covered by this benefit. See page 3. Plus |
| 1957 Survivor Benefit | This benefit provides a monthly allowance equal to $\frac{1}{2}$ of what your highest service retirement allowance would have been had you retired on the date of your death. Those eligible to receive this allowance are: <ol style="list-style-type: none">1. your spouse (if married at least one year before your death) until death, or2. your natural or adopted unmarried children under age 18 (if you have no eligible spouse or if the spouse dies). Or |
| Basic Death Benefit | The Basic Death Benefit will be paid if: <ol style="list-style-type: none">1. no one is eligible for the monthly allowance above, or2. someone who is eligible for the monthly allowance above chooses instead to receive the Basic Death Benefit. Your beneficiary will receive a lump-sum payment of: <ol style="list-style-type: none">1. a refund of your contributions plus interest, and2. up to six months' pay (one month's salary rate for each year of current service to a maximum of six months). Your beneficiary would be determined as follows: <ol style="list-style-type: none">1. your spouse (if married for at least one year), or if no eligible spouse,2. unmarried children under age 18, or if none,3. named beneficiary, or if none,4. your spouse (if married for less than one year), or if none,5. children other than those mentioned in 2 above, or if none,6. parents, or if none,7. brothers and sisters, or if none,8. estate if probated, or if not,9. trust, or if none,10. next of kin, as provided by law. |

1959 Survivor Benefit

Only school members not covered under Social Security while in CalPERS-covered service may have this benefit. If you are covered under the 1959 Survivor Benefit, you will notice a \$2 deduction from your monthly paycheck.

The 1959 Survivor Benefit is paid along with the other death benefits, whether or not you were eligible to retire at the time of death.

The benefit consists of a monthly allowance which may be paid to your eligible surviving spouse and children. A spouse is eligible if they (1) have care of eligible children, or (2) are age 60 or older. Children are eligible if under age 22 and unmarried.

Eligible survivors may receive one of the following monthly allowances:

1. a spouse who has care of two or more eligible children; or three eligible children only (split among them) \$1,800*
2. a spouse who has care of one eligible child; or two eligible children only (split among them) \$1,500*
3. one eligible child only; or spouse at age 60 or older \$750
4. dependent parents may be eligible if there are none of the above. (each) \$750

* Amounts may differ if all children are not in spouse's care.

Retirement Benefits

Service Retirement

To be eligible for service retirement, you must be at least age 50 and have five years of CalPERS credited service. Please note that a member who is employed on a part-time basis and has worked at least five years may be eligible for retirement with less than five years of credited service. If you are age 50 or older, contact any CalPERS Regional Office to determine whether this exception may apply.

Disability Retirement

You must have at least five years of credited service to qualify for disability retirement. Please note that a member who is employed on a part-time basis and has worked at least five years may be eligible for disability retirement with less than five years of credited service. You may want to contact a CalPERS Regional Office to find out if this exception will apply to you. There is no minimum age requirement. If you are considering applying for disability retirement, you should request a copy of ***Disability Retirement*** (PERS-PUB-10).

Emergency Retirement

CalPERS will expedite retirement processing for those who are terminally ill and facing imminent death. Contact CalPERS or your employer immediately if there is a need for emergency retirement.

Estimating Your Service Retirement Allowance

There are three things you need to know to estimate your retirement allowance: service credit, benefit factor, and final compensation. These are described here, with an example and a space to estimate your own benefit on page 5. We recommend that prior to retirement you request an estimate from CalPERS.

If your CalPERS service is a combination of some service covered by Social Security and some service not, or if you have a combination of service under CalPERS with the State or a local agency, special consideration must be given to figure the amount of your benefit. You should request a formal estimate from CalPERS by completing a ***Retirement Allowance Estimate Request*** (PERS-BAS-1), available from your employer or any CalPERS office.

You can also receive an informal estimate by using the CalPERS Retirement Planning Calculator on our web site at www.calpers.ca.gov.

Service Credit

In calculating your retirement allowance you will use your years of credited service. (Refer to your CalPERS Annual Member Statement for your current service credit and add planned future service.)

You may be entitled to additional service credit. Examples of possible additions to service credit are:

- unused sick leave at retirement;
- redeposit of contributions you withdrew from CalPERS;
- service with a CalPERS-covered employer prior to your date of membership;
- service with a public agency prior to the date of that agency's contract with CalPERS; or
- certain types of leaves of absence, public service employment, or military service.

Requests for additional service credit must be received **prior** to your retirement date.

For further explanation and other types of service credit, request **Service Credit** (PERS-PUB-12), or contact a CalPERS Regional Office.

Sick Leave Credit

At retirement, any unused sick leave you have will be converted to additional service credit. You will receive credit for each day of unused sick leave certified by your employer. It takes 250 days of sick leave to receive one year's service credit. Eight hours of sick leave is one day, which converts to .004 of a year of service credit. (For example, if your employer certified 120 days, your additional credit would be $120 \div 250$, or .480 of a year's service credit.) This adjustment is calculated after your retirement and paid retroactively to your retirement effective date.

To receive sick leave credit, your retirement date must be within 120 days from the date of separation from the employer granting the sick leave.

Benefit Factor

This is the percent of pay to which you are entitled for each year of service. It is determined by your age at retirement.

We have shown only whole years of age below; furthermore, the benefit factor increases for each quarter year of attained age from 50 to 63.

| Age At Retirement | Percentage Per Year Of Service |
|--------------------------|---------------------------------------|
| 50 | 1.100 |
| 51 | 1.280 |
| 52 | 1.460 |
| 53 | 1.640 |
| 54 | 1.820 |
| 55 | 2.000 |
| 56 | 2.064 |
| 57 | 2.126 |
| 58 | 2.188 |
| 59 | 2.250 |
| 60 | 2.314 |
| 61 | 2.376 |
| 62 | 2.438 |
| 63+ | 2.500 |

Final Compensation

Final compensation is your average monthly pay rate for the last consecutive 12 months of employment. If you think there was another period of 12 consecutive months when your average pay rate was higher, let us know this when you apply for retirement. We will use whichever final compensation is higher.

Your monthly pay may have been reported to us on a 10- or 11-month basis instead of 12 months. If so, your final compensation is still based on the 12-month average. For instance, 10-month employees would figure their final compensation as follows:

$$\begin{aligned} \$2,560 \times 10 &= \$25,600 \\ \$25,600 \div 12 &= \\ \$2,133.33 &\text{ final compensation.} \end{aligned}$$

If your CalPERS service was coordinated with Social Security, you must reduce your final compensation by \$133.33. (See the example on the next page.)

Example

If you will be retiring at age 55 with 25 years of service.

Step 1: Calculating Percent Of Final Compensation

$$\begin{array}{rclcl} \frac{25}{\text{Years Of Service}} & \times & \frac{2\%}{\text{\% Per Year Based On Age At Retirement}} & = & \frac{50\%}{\text{\% Of Final Compensation}} \\ & & \text{(from table inside back cover)} & & \end{array}$$

Step 2: Calculating Benefit Allowance

Service not coordinated with Social Security

$$\begin{array}{rclcl} \frac{\$2,133.33}{\text{Final Compensation}} & \times & \frac{50\%}{\text{\% Of Final Compensation (from Step 1)}} & = & \frac{\$1,066.67}{\text{Monthly Unmodified Allowance}} \end{array}$$

or

Service coordinated with Social Security

$$\begin{array}{rclcl} \frac{\$2,000.00}{\text{Final Compensation (- \$133.33)}} & \times & \frac{50\%}{\text{\% Of Final Compensation (from Step 1)}} & = & \frac{\$1,000.00}{\text{Monthly Unmodified Allowance}} \end{array}$$

Your Case

You will be retiring at age ____ with ____ years of service.

Step 1: Calculating Your Percent Of Final Compensation

$$\begin{array}{rclcl} \frac{\text{____}}{\text{Years Of Service}} & \times & \frac{\text{____}}{\text{\% Per Year Based On Age At Retirement}} & = & \frac{\text{____}}{\text{\% Of Final Compensation}} \\ & & \text{(from table inside back cover)} & & \end{array}$$

Step 2: Calculating Your Benefit Allowance

Service not coordinated with Social Security

$$\begin{array}{rclcl} \frac{\text{____}}{\text{Final Compensation}} & \times & \frac{\text{____}}{\text{\% Of Final Compensation (from Step 1)}} & = & \frac{\text{____}}{\text{Monthly Unmodified Allowance}} \end{array}$$

or

Service coordinated with Social Security

$$\begin{array}{rclcl} \frac{\text{____}}{\text{Final Compensation (- \$133.33)}} & \times & \frac{\text{____}}{\text{\% Of Final Compensation (from Step 1)}} & = & \frac{\text{____}}{\text{Monthly Unmodified Allowance}} \end{array}$$

Choosing A Retirement Plan

You may elect the unmodified allowance or one of six optional settlements. Before you read about these, you must determine whether the Survivor Continuance benefit will apply to you at retirement. Regardless of the retirement plan you choose, upon your death CalPERS will pay a \$600 retired member death benefit to a named beneficiary. (An employer may change its contract to provide \$2,000, \$3,000, \$4,000, or \$5,000 for this benefit.)

Survivor Continuance

This benefit is paid for by your employer. It provides that upon your death, after retirement, a part of your monthly allowance will automatically continue to an eligible survivor.

Those eligible to receive this benefit are shown below.

1. Your spouse, if you were married for at least one year before your retirement and had remained married until the date of your death, will receive the continuance benefit for life. (For disability retirement, you need only have been married at retirement and remained married until the date of your death.)
2. Your natural or adopted unmarried children under age 18, if you have no eligible spouse. They will receive this monthly benefit until marriage or the attainment of age 18. An unmarried child who was disabled prior to age 18 and whose disability has continued, without interruption, will receive this benefit until the disability ends or until marriage.
3. Qualifying dependent parents, if none of the above.

If your service is not coordinated with Social Security, the continuance will amount to $\frac{1}{2}$ of your unmodified allowance.

If your service is coordinated with Social Security, the continuance will be $\frac{1}{4}$ of your unmodified allowance. If you have some time covered under Social Security and some time not, or if you have a combination of service under CalPERS with the State or a local public agency, special consideration must be given to figure the amount of your continuance benefit. You should request a formal estimate from CalPERS by completing a **Retirement Allowance Estimate Request** (PERS-BAS-1), available from your employer or any CalPERS office.

You can also receive an informal estimate by using the CalPERS Retirement Planning Calculator on our web site at www.calpers.ca.gov.

Remember, Survivor Continuance will apply only if you have an eligible family member as of the date of your retirement.

Optional Settlements

When you retire, you can choose to receive the unmodified allowance, or you can take a reduction to that allowance and choose one of the six options.

The unmodified allowance is the highest amount payable and provides a monthly benefit to you that ends upon your death. Each of the options provides a benefit to your named beneficiary after your death. Option 1 provides a lump-sum payment of your remaining contributions. Option 2, 2W, 3, 3W, or 4 provides a monthly allowance.

The reduction to your unmodified allowance depends on the option you choose.

Option 1. The reduction is based on your life expectancy at retirement and the amount of your contributions. You may name one or more beneficiaries, and name a new beneficiary at any time.

Option 2 or 3. The reduction is based on both your life expectancy at retirement and your beneficiary's. The younger your beneficiary, the greater the reduction. (If you have someone eligible for Survivor Continuance, the reduction is applied only to the option portion of your allowance.) You can name only one beneficiary and your designation may be changed only under limited circumstances.

If your beneficiary dies before you, your allowance will increase to the higher unmodified allowance amount. Under certain circumstances you may not want to "buy" this coverage; for example, you name a young child as a beneficiary. Therefore, you may waive this coverage, **by electing Option 2W or 3W**, and take a lesser reduction to your unmodified allowance. CalPERS will provide you with calculations of all these choices when you apply for retirement.

Option 4. The reduction is based on the type of option you design. The amount to your beneficiary cannot be greater than that provided by 2W. Please refer to **Retirement Option 4** (PERS-PUB-18) for examples of types of allowances you can provide for your beneficiary.

The examples on the following pages provide more detail on the unmodified allowance and the options. The dollar amounts used are to show the relative cost of each option and are not representative of your case. If you have a family member eligible for Survivor Continuance, see the example on page 7, if not, skip to page 8.

Applying For Retirement

To apply for retirement, you must complete an **Application for Service Retirement**, (PERS-BAS-369S) available from your personnel office or any CalPERS Regional Office. You may, at that time, request calculations for the unmodified allowance and all the options.

To ensure timely processing, your application should be submitted to CalPERS at least 90 days before you intend to retire. State law requires that your effective retirement date can be no earlier than the first of the month in which the application is received by CalPERS, except in special circumstances.

When you leave your CalPERS-covered employment and join a reciprocal system, you become a member of both systems. You must retire from each system separately. For further information on reciprocity see **When You Change Retirement Systems** (PERS-PUB-16).

If you are married, you may be asked to provide a copy of your marriage certificate. If you plan to name a beneficiary to receive a monthly allowance, you will also have to provide proof of your beneficiary's birth date. Copies are acceptable.

Before your retirement date, you should receive an **Election of Optional Settlement and Beneficiary Designation** (PERS-BAS-898). Carefully read this information and select one of the optional settlements or the unmodified allowance. Both you and your spouse must sign the form in the presence of a notary public or an authorized CalPERS representative. Promptly return it to CalPERS Headquarters in Sacramento.

Example Of Optional Settlements With Survivor Continuance

Our example assumes your spouse is named beneficiary and is eligible for Survivor Continuance. We have also assumed that all of your service has been coordinated with Social Security and, therefore, the Survivor Continuance would equal $\frac{1}{4}$ of your unmodified allowance. The dollar amounts used are to show the relative cost of each option and are not representative of your case.

| | Retiree's Lifetime Allowance | Monthly Benefit To Surviving Spouse | |
|---|------------------------------------|--|---|
| Unmodified Allowance The highest allowance payable. After your death, your spouse will receive the Survivor Continuance benefit for life. | \$1,000 | \$250 | Survivor Continuance |
| Option 1* After your death, your spouse will receive the Survivor Continuance benefit for life. Any of your remaining contributions will be paid in a lump sum to a beneficiary. | \$996 | \$250 | Survivor Continuance |
| Option 2* After your death, your spouse will receive the option portion and the Survivor Continuance benefit for life. If your spouse predeceases you, your allowance will increase to the unmodified allowance amount. | \$688 <u>\$250</u> \$938 | \$688 <u>\$250</u> \$938 | Option Portion Survivor Continuance Total |
| Option 2W* After your death, your spouse will receive the option portion and the Survivor Continuance benefit for life. If your spouse predeceases you, your allowance will continue at the Option 2W amount. | \$696 <u>\$250</u> \$946 | \$696 <u>\$250</u> \$946 | Option Portion Survivor Continuance Total |
| Option 3* After your death, your spouse will receive $\frac{1}{2}$ of the option portion and the Survivor Continuance benefit for life. If your spouse predeceases you, your allowance will increase to the unmodified allowance amount. | \$718 <u>\$250</u> \$968 | \$359 <u>\$250</u> \$609 | Option Portion Survivor Continuance Total |
| Option 3W* After your death, your spouse will receive $\frac{1}{2}$ of the option portion and the Survivor Continuance benefit for life. If your spouse predeceases you, your allowance will continue at the Option 3W amount. | \$722 <u>\$250</u> \$972 | \$361 <u>\$250</u> \$611 | Option Portion Survivor Continuance Total |
| Option 4 You may customize the type of allowance you want to provide to your beneficiary as long as the amount for your beneficiary is not more than the amount provided under Option 2W. | | | |

Please refer to **Retirement Option 4** (PERS-PUB-18) for examples of the types of allowances you can provide your beneficiary.

* Although our example specifies spouse, you may designate anyone to receive the option portion of an allowance. The Survivor Continuance benefit is guaranteed to an eligible survivor after your death.

Example Of Optional Settlements Without Survivor Continuance

| | Retiree's Lifetime Allowance | Beneficiary's Monthly Allowance |
|---|------------------------------------|------------------------------------|
| <p>Unmodified Allowance</p> <p>The unmodified allowance is the highest payable. Following your death, only the retired member death benefit will be paid to your named beneficiary.</p> | \$1,000 | None |
| <p>Option 1</p> <p>After your death, any of your remaining contributions will be paid in a lump sum to your named beneficiary.</p> | \$996 | None |
| <p>Option 2</p> <p>After your death, your beneficiary will receive the same monthly allowance you were receiving. If your beneficiary predeceases you, your allowance will increase to the unmodified allowance amount.</p> | \$917 | \$917 |
| <p>Option 2W</p> <p>After your death, your beneficiary will receive the same monthly allowance you were receiving. If your beneficiary predeceases you, your allowance will continue at the Option 2W amount.</p> | \$928 | \$928 |
| <p>Option 3</p> <p>After your death, your beneficiary will receive a monthly allowance equal to $\frac{1}{2}$ the amount you had been receiving. If your beneficiary predeceases you, your allowance will increase to the unmodified allowance amount.</p> | \$957 | \$479 |
| <p>Option 3W</p> <p>After your death, your beneficiary will receive a monthly allowance equal to $\frac{1}{2}$ the amount you had been receiving. If your beneficiary predeceases you, your allowance will continue at the Option 3W amount.</p> | \$963 | \$482 |
| <p>Option 4</p> <p>You may customize the type of allowance you want to provide to your beneficiary as long as the amount for your beneficiary is not more than the amount provided under Option 2W.</p> | | |

Please refer to **Retirement Option 4** (PERS-PUB-18) for examples of the types of allowances you can provide your beneficiary.

Notice

Section 415 of the Internal Revenue Code places limits on the annual benefit you can receive from a tax-qualified pension plan such as CalPERS. Under Section 415, the maximum annual benefit payable if you retire at Social Security “normal retirement age” is \$135,000 for 2000 (indexed annually for inflation and reduced for early retirement).

If you first became a CalPERS member prior to January 1, 1990, your benefit, under certain circumstances, may exceed these limits.

If at retirement CalPERS finds that your benefit must be limited under Section 415, CalPERS will enroll you in a replacement benefit program and pay a monthly amount that will, to the extent possible, make up the amount your CalPERS benefit is limited.

Other Considerations

Health Insurance

Check with your employer to find out what kind of health insurance you have and if you are covered by the Public Employees’ Medical and Hospital Care Act (PEMHCA).

Health plans not covered under PEMHCA: Ask your health benefits officer about keeping your present health care insurance or getting a new plan. It is important you do this before your retirement date.

Health plans covered under PEMHCA: If you are currently covered and having deductions taken from your paycheck, you may continue your health insurance into retirement.

If you retire within 30 days after separation from employment, your CalPERS-administered health plan will automatically continue.

If you retire more than 30 but within 120 days of separation from employment, your health coverage will not automatically continue. You are, however, eligible to re-enroll in your health plan. To do so, contact the CalPERS Health Benefit Services Division as soon as you are advised of your retirement date.

If your effective date of retirement is more than 120 days after separation from employment, or you are not enrolled at the time of separation, you are not eligible to be enrolled at retirement or any future date.

If your family members are included in your CalPERS-administered health plan enrollment at the time of your death, their enrollment will be continued automatically, provided they receive a monthly allowance sufficient to cover their share of the cost, if any, or pay the difference between the employer’s contribution and the total premium amount.

Surviving family members’ eligibility for health coverage can change due to various circumstances. For example, a spouse who is receiving a 1959 Survivor Benefit may experience an interruption in health coverage due to loss of eligibility for dependent children. The spouse may re-enroll upon regaining eligibility at age 60. For more information on eligibility, refer to your health benefits booklet or call the CalPERS Health Benefit Services Division.

Long-Term Care

If you are enrolled in the CalPERS Long-Term Care Program and your premiums are being deducted from your paycheck, you will need to call the program’s customer service at (800) 982-1775 to see what steps you need to take to continue your premium payments.

Power Of Attorney

CalPERS has a durable special power of attorney form for use by members and beneficiaries. This durable special power of attorney enables you to appoint another individual to deal with CalPERS on your behalf. This person may select a retirement option, a beneficiary, change your mailing address, sign tax withholding forms, and conduct other retirement business on your behalf.

The Power of Attorney is a complex issue. To fully understand it, you should obtain a copy of the **Power of Attorney** booklet (PERS-PUB-30). This booklet also contains the needed **CalPERS Special Power of Attorney** form (PERS-OSS-138).

Re-Election Of Option After Retirement

There are certain situations when you may re-elect an option after retirement and name a new beneficiary. Such re-election could result in a reduction to your allowance.

- If you choose to receive the unmodified or Option 1 allowance, you may elect to receive an optional settlement naming your new spouse as beneficiary. Contact CalPERS immediately for the most current provisions of the law.
- If you choose to receive Option 2, 2W, 3, 3W, or 4, and your beneficiary dies, or you marry, you may elect to receive an optional settlement and name a new beneficiary.

- If you choose to receive Option 2, 2W, 3, 3W, or 4, and name your spouse as beneficiary, but your marriage is later terminated, you may (in limited circumstances) elect to receive a new option settlement and name a new beneficiary.

Cost-Of-Living Adjustments

A special provision in your retirement plan allows for cost-of-living increases. The first increase will be made in the second calendar year following your retirement and annually thereafter. Currently, these increases are limited to a maximum of 2 percent compounded annually.

Inflation Protection

Added protection against inflation is provided by the Purchasing Power Protection Allowance (PPPA), created to restore your monthly allowance to 75 percent of its original purchasing power.

You will automatically receive PPPA supplemental payments (paid monthly) if your allowance falls below the 75 percent purchase power level and there are funds in the PPPA account.

Temporary Annuity

Temporary annuity is an additional monthly income you may choose to augment your pension from CalPERS. This additional benefit may enable you to coordinate your CalPERS benefit with other income you may receive, for example, from deferred compensation or Social Security, and allow you to retire from your job earlier.

The temporary annuity benefit is payable from your retirement date to a specific age that you select from 59½ or any whole age from 60 to 68. You can also name the dollar amount you wish to receive. This benefit is not free, however. Your CalPERS lifetime retirement allowance is reduced to pay for your temporary annuity.

In order to be eligible for temporary annuity benefits you must be retiring with a service retirement. You are not eligible for temporary annuity if you apply for a disability retirement. For more information on the qualifications, costs, and benefits under this plan, request **Temporary Annuity** (PERS-PUB-13).

Social Security

If you have ever contributed to Social Security, check with your local Social Security office to determine what your benefits may be under that program.

Taxes

Your benefits will be subject to both State and federal tax withholding. You will be given the opportunity to make an election regarding withholding.

After your retirement, CalPERS will send you an annual statement of benefits paid to you during the calendar year. Information on the taxability of your retirement allowance is available from the Internal Revenue Service and the Franchise Tax Board. You may also wish to contact your private tax consultant or attorney about your income tax liability. For more information request ***Taxes And Your Retirement*** (PERS-PUB-34).

Working After Retirement

After your service retirement, you may work for private industry without any reduction or effect on your retirement allowance.

Before you enter into CalPERS-covered employment, check with CalPERS on how this would affect your retirement status.

If you retire for disability, your allowance may be reduced by outside employment. Request ***Disability Retirement*** (PERS-PUB-10) and ***Industrial Disability Retirement*** (PERS-PUB-11) brochures for more information.

Changing Beneficiaries After Retirement

You may change your designation for Option 1, the retired death benefit, or any unpaid temporary annuity payments at any time by filing with CalPERS a ***Beneficiary Designation For Death Benefits After Retirement*** (PERS-PRS-509).

A change in your marital status, the birth or adoption of a child, or the death of your named beneficiary may, by law, revoke your beneficiary designation for lump-sum death benefits.

Reinstatement To Membership

If you wish to accept employment requiring membership in CalPERS, you must be reinstated from retirement.

The Retirement Law requires that CalPERS approve your reinstatement before it becomes effective. You will have to comply with certain requirements to be reinstated. When your reinstatement becomes effective, you will stop receiving your allowance until you retire again. Reinstatement will affect future benefit payments and cost-of-living allowances. You must contact CalPERS prior to reinstating.

CalPERS Headquarters Telephone Information Centers

| | |
|--|----------------|
| Retirement Program Services | (800) 352-2238 |
| Health Benefits Program Services | (800) 237-3345 |
| Telecommunications Device for the Deaf | (916) 326-3240 |

These numbers are available to leave an inquiry 24 hours a day, seven days a week.

FAX Numbers

| | |
|----------------------------------|----------------|
| Benefit Services Division | (916) 326-3933 |
| Health Benefit Services Division | (916) 326-3935 |
| Member Services Division | (916) 558-4019 |
| Other CalPERS Offices | |
| Fresno Regional Office | (559) 440-4901 |
| Los Angeles Regional Office | (310) 231-3480 |
| Mountain View Regional Office | (650) 428-4601 |
| Orange Regional Office | (714) 939-4701 |
| Sacramento Regional Office | (916) 231-7878 |
| San Bernardino Regional Office | (909) 806-4820 |
| San Diego Regional Office | (619) 220-7201 |
| San Francisco Regional Office | (415) 369-8501 |

CalPERS Addresses

Sacramento Regional Office (Headquarters)

2750 Gateway Oaks Dr., Room 140
Sacramento, CA 95833
(800) 352-2238

Fresno Regional Office

10 River Park Place East, Suite 230
Fresno, CA 93720
(559) 440-4900

Los Angeles Regional Office*

11766 Wilshire Blvd., Suite 1600
Los Angeles, CA 90025
(310) 231-3464

Mountain View Regional Office

650 Castro Street, Suite 240
Mountain View, CA 94041
(650) 428-4600

Orange Regional Office

500 North State College Blvd.,
Suite 750
Orange, CA 92868
(714) 939-4700

San Bernardino Regional Office

650 East Hospitality Lane
Suite 330
San Bernardino, CA 92408
(909) 806-4800

San Diego Regional Office

7676 Hazard Center Dr., Suite 350
San Diego, CA 92108
(619) 220-7200

San Francisco Regional Office

301 Howard St., Suite 2020
San Francisco, CA 94105
(415) 369-8500

CalPERS On-Line

www.calpers.ca.gov

About the cover:

Sand Dollar; Dendraster excentricus

The Dendraster sand dollar is found along beaches from Alaska to Southern California. A sand dollar is the bleached remains of a sea urchin that in life was covered with a short, bristly coat of greenish-gray spines. In some tidal pools it is possible to find hundreds of these sea urchins half-buried in the sand.

* This office may be relocating in 2000. Please call first to verify address before visiting.

School Members
2% at 55 Formula

Exact Age And Percentage Of Final Compensation

| Age | 50 | 51 | 52 | 53 | 54 | 55 | 56 | 57 | 58 | 59 | 60 | 61 | 62 | 63+ |
|-------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Benefit Factor | 1.100 | 1.280 | 1.460 | 1.640 | 1.820 | 2.000 | 2.064 | 2.126 | 2.188 | 2.250 | 2.314 | 2.376 | 2.438 | 2.500 |
| Years Of Service | | | | | | | | | | | | | | |
| 5 | 5.50% | 6.40% | 7.30% | 8.20% | 9.10% | 10.00% | 10.32% | 10.63% | 10.94% | 11.25% | 11.57% | 11.88% | 12.19% | 12.50% |
| 6 | 6.60% | 7.68% | 8.76% | 9.84% | 10.92% | 12.00% | 12.38% | 12.76% | 13.13% | 13.50% | 13.88% | 14.26% | 14.63% | 15.00% |
| 7 | 7.70% | 8.96% | 10.22% | 11.48% | 12.74% | 14.00% | 14.45% | 14.88% | 15.32% | 15.75% | 16.20% | 16.63% | 17.07% | 17.50% |
| 8 | 8.80% | 10.24% | 11.68% | 13.12% | 14.56% | 16.00% | 16.51% | 17.01% | 17.50% | 18.00% | 18.51% | 19.01% | 19.50% | 20.00% |
| 9 | 9.90% | 11.52% | 13.14% | 14.76% | 16.38% | 18.00% | 18.58% | 19.13% | 19.69% | 20.25% | 20.83% | 21.38% | 21.94% | 22.50% |
| 10 | 11.00% | 12.80% | 14.60% | 16.40% | 18.20% | 20.00% | 20.64% | 21.26% | 21.88% | 22.50% | 23.14% | 23.76% | 24.38% | 25.00% |
| 11 | 12.10% | 14.08% | 16.06% | 18.04% | 20.02% | 22.00% | 22.70% | 23.39% | 24.07% | 24.75% | 25.45% | 26.14% | 26.82% | 27.50% |
| 12 | 13.20% | 15.36% | 17.52% | 19.68% | 21.84% | 24.00% | 24.77% | 25.51% | 26.26% | 27.00% | 27.77% | 28.51% | 29.26% | 30.00% |
| 13 | 14.30% | 16.64% | 18.98% | 21.32% | 23.66% | 26.00% | 26.83% | 27.64% | 28.44% | 29.25% | 30.08% | 30.89% | 31.69% | 32.50% |
| 14 | 15.40% | 17.92% | 20.44% | 22.96% | 25.48% | 28.00% | 28.90% | 29.76% | 30.63% | 31.50% | 32.40% | 33.26% | 34.13% | 35.00% |
| 15 | 16.50% | 19.20% | 21.90% | 24.60% | 27.30% | 30.00% | 30.96% | 31.89% | 32.82% | 33.75% | 34.71% | 35.64% | 36.57% | 37.50% |
| 16 | 17.60% | 20.48% | 23.36% | 26.24% | 29.12% | 32.00% | 33.02% | 34.02% | 35.01% | 36.00% | 37.02% | 38.02% | 39.01% | 40.00% |
| 17 | 18.70% | 21.76% | 24.82% | 27.88% | 30.94% | 34.00% | 35.09% | 36.14% | 37.20% | 38.25% | 39.34% | 40.39% | 41.45% | 42.50% |
| 18 | 19.80% | 23.04% | 26.28% | 29.52% | 32.76% | 36.00% | 37.15% | 38.27% | 39.38% | 40.50% | 41.65% | 42.77% | 43.88% | 45.00% |
| 19 | 20.90% | 24.32% | 27.74% | 31.16% | 34.58% | 38.00% | 39.22% | 40.39% | 41.57% | 42.75% | 43.97% | 45.14% | 46.32% | 47.50% |
| 20 | 22.00% | 25.60% | 29.20% | 32.80% | 36.40% | 40.00% | 41.28% | 42.52% | 43.76% | 45.00% | 46.28% | 47.52% | 48.76% | 50.00% |
| 21 | 23.10% | 26.88% | 30.66% | 34.44% | 38.22% | 42.00% | 43.34% | 44.65% | 45.95% | 47.25% | 48.59% | 49.90% | 51.20% | 52.50% |
| 22 | 24.20% | 28.16% | 32.12% | 36.08% | 40.04% | 44.00% | 45.41% | 46.77% | 48.14% | 49.50% | 50.91% | 52.27% | 53.64% | 55.00% |
| 23 | 25.30% | 29.44% | 33.58% | 37.72% | 41.86% | 46.00% | 47.47% | 48.90% | 50.32% | 51.75% | 53.22% | 54.65% | 56.07% | 57.50% |
| 24 | 26.40% | 30.72% | 35.04% | 39.36% | 43.68% | 48.00% | 49.54% | 51.02% | 52.51% | 54.00% | 55.54% | 57.02% | 58.51% | 60.00% |
| 25 | 27.50% | 32.00% | 36.50% | 41.00% | 45.50% | 50.00% | 51.60% | 53.15% | 54.70% | 56.25% | 57.85% | 59.40% | 60.95% | 62.50% |
| 26 | 28.60% | 33.28% | 37.96% | 42.64% | 47.32% | 52.00% | 53.66% | 55.28% | 56.89% | 58.50% | 60.16% | 61.78% | 63.39% | 65.00% |
| 27 | 29.70% | 34.56% | 39.42% | 44.28% | 49.14% | 54.00% | 55.73% | 57.40% | 59.08% | 60.75% | 62.48% | 64.15% | 65.83% | 67.50% |
| 28 | 30.80% | 35.84% | 40.88% | 45.92% | 50.96% | 56.00% | 57.79% | 59.53% | 61.26% | 63.00% | 64.79% | 66.53% | 68.26% | 70.00% |
| 29 | 31.90% | 37.12% | 42.34% | 47.56% | 52.78% | 58.00% | 59.86% | 61.65% | 63.45% | 65.25% | 67.11% | 68.90% | 70.70% | 72.50% |
| 30 | 33.00% | 38.40% | 43.80% | 49.20% | 54.60% | 60.00% | 61.92% | 63.78% | 65.64% | 67.50% | 69.42% | 71.28% | 73.14% | 75.00% |
| 31 | 34.10% | 39.68% | 45.26% | 50.84% | 56.42% | 62.00% | 63.98% | 65.91% | 67.83% | 69.75% | 71.73% | 73.66% | 75.58% | 77.50% |
| 32 | 35.20% | 40.96% | 46.72% | 52.48% | 58.24% | 64.00% | 66.05% | 68.03% | 70.02% | 72.00% | 74.05% | 76.03% | 78.02% | 80.00% |
| 33 | 36.30% | 42.24% | 48.18% | 54.12% | 60.06% | 66.00% | 68.11% | 70.16% | 72.20% | 74.25% | 76.36% | 78.41% | 80.45% | 82.50% |
| 34 | — | 43.52% | 49.64% | 55.76% | 61.88% | 68.00% | 70.18% | 72.28% | 74.39% | 76.50% | 78.68% | 80.78% | 82.89% | 85.00% |
| 35 | — | — | 51.10% | 57.40% | 63.70% | 70.00% | 72.24% | 74.41% | 76.58% | 78.75% | 80.99% | 83.16% | 85.33% | 87.50% |
| 36 | — | — | — | 59.04% | 65.52% | 72.00% | 74.30% | 76.54% | 78.77% | 81.00% | 83.30% | 85.54% | 87.77% | 90.00% |
| 37 | — | — | — | — | 67.34% | 74.00% | 76.37% | 78.66% | 80.96% | 83.25% | 85.62% | 87.91% | 90.21% | 92.50% |
| 38 | — | — | — | — | — | 76.00% | 78.43% | 80.79% | 83.14% | 85.50% | 87.93% | 90.29% | 92.64% | 95.00% |
| 39 | — | — | — | — | — | — | 80.50% | 82.91% | 85.33% | 87.75% | 90.25% | 92.66% | 95.08% | 97.50% |
| 40+ | — | — | — | — | — | — | — | 85.04% | 87.52% | 90.00% | 92.56% | 95.04% | 97.52% | 100.00% |

